

**No. 16356**

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**FEDERAL REPUBLIC OF GERMANY  
and  
PARAGUAY**

**Agreement concerning financial assistance. Signed at Asunción on 14 November 1975**

*Authentic texts: German and Spanish.*

*Registered by the Federal Republic of Germany on 1 February 1978.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
PARAGUAY**

**Accord d'aide financière. Signé à Asunción le 14 novembre 1975**

*Textes authentiques : allemand et espagnol.*

*Enregistré par la République fédérale d'Allemagne le 1<sup>er</sup> février 1978.*

## [TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF  
THE REPUBLIC OF PARAGUAY CONCERNING FINANCIAL  
ASSISTANCE

The Government of the Federal Republic of Germany and the Government of the Republic of Paraguay,

Considering the friendly relations existing between the Federal Republic of Germany and the Republic of Paraguay,

Desiring to strengthen and intensify these friendly relations by fruitful co-operation in the field of development assistance,

Being aware that the maintenance of these relations is the basis for the present Agreement,

Purposing to contribute to economic and social development in Paraguay,

In furtherance of the co-operation initiated by the Agreements of 2 December 1963, 11 February 1967, 11 November 1969, 29 April 1971, 14 January 1972 and 11 May 1973 between the Government of the Federal Republic of Germany and the Government of the Republic of Paraguay,

Have agreed as follows:

*Article 1.* The Government of the Federal Republic of Germany shall enable the *Administración Nacional de Telecomunicaciones paraguaya* (ANTELCO) (National Telecommunications Administration of Paraguay) to obtain a loan not exceeding a total of DM 12 million (12 million Deutsche Mark) from the *Kreditanstalt für Wiederaufbau* (Reconstruction Loan Corporation), Frankfurt am Main, for the project "Expansion of telecommunications (ANTELCO), second stage, phase 1."

*Article 2.* (1) The utilization of this loan and the conditions on which it is granted shall be governed by the contracts to be concluded between the borrower, the *Administración Nacional de Telecomunicaciones* (ANTELCO), and the *Kreditanstalt für Wiederaufbau*; the said contracts shall be subject to the legal provisions applicable in the Federal Republic of Germany.

(2) The Government of the Republic of Paraguay and the Central Bank of Paraguay shall guarantee to the *Kreditanstalt für Wiederaufbau* all payments in Deutsche Mark in fulfilment of the obligations of the borrower under the loan contracts to be concluded in accordance with paragraph 1.

*Article 3.* The Government of the Republic of Paraguay shall exempt the *Kreditanstalt für Wiederaufbau* from all taxes and other public charges levied in Paraguay at the time of the conclusion or execution of the contracts referred to in article 2.

<sup>1</sup> Came into force on 15 January 1976, as soon as the Government of the Republic of Paraguay notified the Government of the Federal Republic of Germany that its domestic requirements had been fulfilled, with retroactive effect from 14 November 1975, the date of signature, in accordance with article 8.

*Article 4.* The Government of the Republic of Paraguay shall allow passengers and suppliers a free choice of transport enterprises for such transportation of passengers and goods by sea and by air as results from the granting of the loan; it shall refrain from taking any measures that might exclude or impede the participation of transport enterprises which have their headquarters within the German area of application of this Agreement and shall issue any permits that may be necessary for the participation of such transport enterprises.

*Article 5.* Contracts for deliveries and performances relating to projects financed by the loan shall be awarded by international public tender, unless otherwise stipulated in individual cases.

*Article 6.* The Government of the Federal Republic of Germany is particularly desirous that, for deliveries resulting from the granting of the loan, preference should be given to the products of the industry of *Land Berlin*.

*Article 7.* With the exception of those provisions of article 4 which relate to air traffic, this Agreement shall also apply to *Land Berlin*, provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the Republic of Paraguay within three months from the date of entry into force of this Agreement.

*Article 8.* This Agreement shall enter into force, with retroactive effect to the date of its signature, as soon as the Government of the Republic of Paraguay has notified the Government of the Federal Republic of Germany that the domestic requirements for its entry into force have been fulfilled on the part of the Government of the Republic of Paraguay.

DONE at Asunción on 14 November 1975 in two original copies, each in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

HELLMUT HOFF

Ambassador Extraordinary and Plenipotentiary  
of the Federal Republic of Germany

For the Government of the Republic of Paraguay:

RAÚL SAPENA PASTOR

Minister for Foreign Affairs of the Republic of Paraguay

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